

TROY FLAKE (Cal. Bar 267523)
FlakeT@sec.gov
CHARLES E. CANTER (Cal. Bar No. 263197)
CanterC@sec.gov

Attorneys for Plaintiff
Securities and Exchange Commission
Katharine E. Zoladz, Regional Director
Gary Y. Leung, Associate Regional Director
Douglas M. Miller, Regional Trial Counsel
444 S. Flower Street, Suite 900
Los Angeles, CA 90071
Tel: (323) 965-3998
Fax: (213) 443-1904

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

TKO FARMS, INC, a private Wyoming
Corporation; AGRAVITAE, INC., a
private Wyoming Corporation;
KENNETH DEWAYNE OWEN, an
individual; REYNALDO AGUILAR (JR.),
an individual; JAMES BRIAN
BLAYLOCK, an individual; ROSS
GREGORY ERSKINE, an individual, and
the ESTATE OF GILBERT ALLAN
PENHOLLOW,

Defendants,

and

FREELIFE LOGISTICS LLC, a private
Wyoming Limited Liability Company;
PERSONAL GROUP, LLC, a private
Nevada Limited Liability Company;
SIGNATURE ONE CAPITAL INC, a
private Nevada Corporation;
and STORBER, LLC, a private California
Limited Liability Company,

Relief Defendants.

Case No. 8:22-cv-00941-RGK-KES

**PLAINTIFF'S NOTICE OF
MOTION AND MOTION FOR
SUMMARY JUDGMENT**

Date: September 3, 2024
Time: 9 a.m.
Ct rm: 850
Judge: Hon. R. Gary Klausner

1 TO ALL PARTIES AND THEIR COUNSEL OF RECORD:

2 PLEASE TAKE NOTICE THAT on August 26, 2024, at 9:00 a.m., or as soon
3 thereafter as the matter may be heard, in the courtroom of the Honorable R. Gary
4 Klausner, 255 East Temple Street, Courtroom 850 Los Angeles, CA 90012, Plaintiff
5 Securities and Exchange Commission (“SEC”) will and hereby does move the Court
6 for summary judgment on all of its claims against Defendants TKO Farms, Agravitae,
7 Inc., Kenneth Dewayne Owen, Reynaldo Aguilar (Jr.), Ross Gregory Erskine and the
8 Estate of Gilbert Allan Penhollow. This motion is made following the conference of
9 counsel pursuant to C.D. Cal. L.R. 7-3, which took place on July 18 and 19, 2024.

10 The undisputed facts establish that Defendants made material misstatements
11 and omissions in connection with the sale of unregistered securities through
12 unregistered broker-dealers. By this conduct, Defendants violated: (1) the registration
13 provisions of Section 5(a) and 5(c) of the Securities Act of 1933 (the “Securities
14 Act”) [15 U.S.C. §§ 77(e)(a), 77(e)(c)]; (2) the antifraud provisions of Section 17(a)
15 of the Securities Act [15 U.S.C. § 77q(a)]; (3) the antifraud provisions of Section
16 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. §
17 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5]. TKO Farms, Agravitae,
18 and Owen aided and abetted others’ violations of these registration and antifraud
19 provisions, and Owen is liable as the control person of TKO Farms and Agravitae for
20 their violations under Section 20(a) of the Exchange Act [15 U.S.C. § 78t(a)].

21 Accordingly, the SEC respectfully requests that the Court grant its motion for
22 summary judgment and issue an order determining that Defendants are liable for
23 these violations. If the Court grants the SEC’s motion, the SEC will separately seek
24 leave from the Court to offer evidence regarding the appropriate amount of
25 disgorgement and civil penalties for Defendants violations.

26 This motion is based on this Notice of Motion and Motion, the SEC’s
27 Memorandum of Points & Authorities; the Statement of Undisputed Facts, the
28 Declaration of Troy Flake and the attached exhibits, the Declaration of Pasha Salimi

1 together with the files and records of this entire case and any evidence and/or
2 argument that may be adduced at a hearing held by the Court on this motion.

3 Dated: July 30, 2024

/s/ Troy Flake

TROY FLAKE

CHARLES E. CANTER

Attorneys for Plaintiff

Securities and Exchange Commission

PROOF OF SERVICE

I am over the age of 18 years and not a party to this action. My business address is:

U.S. SECURITIES AND EXCHANGE COMMISSION
444 S. Flower Street, Suite 900
Los Angeles, CA 90071
Tel.: (323) 965-3998; Fax: (213) 443-1904

On July 30, 2024, I caused to be served the document entitled **PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR SUMMARY JUDGMENT**, on all the parties to this action addressed as stated on the attached service list:

☐ **OFFICE MAIL:** By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am readily familiar with this agency's practice for collection and processing of correspondence for mailing; such correspondence would be deposited with the U.S. Postal Service on the same day in the ordinary course of business.

☐ **PERSONAL DEPOSIT IN MAIL:** By placing in sealed envelope(s), which I personally deposited with the U.S. Postal Service. Each such envelope was deposited with the U.S. Postal Service at Los Angeles, California, with first class postage thereon fully prepaid.

☐ **EXPRESS U.S. MAIL:** Each such envelope was deposited in a facility regularly maintained at the U.S. Postal Service for receipt of Express Mail at Los Angeles, California, with Express Mail postage paid.

☐ **HAND DELIVERY:** I caused to be hand delivered each such envelope to the office of the addressee as stated on the attached service list.

☐ **UNITED PARCEL SERVICE:** By placing in sealed envelope(s) designated by United Parcel Service ("UPS") with delivery fees paid or provided for, which I deposited in a facility regularly maintained by UPS or delivered to a UPS courier, at Salt Lake City, Utah.

☐ **ELECTRONIC MAIL:** By transmitting the document by electronic mail to the electronic mail address as stated on the attached service list.

☒ **E-FILING:** By causing the document to be electronically filed via the Court's CM/ECF system, which effects electronic service on counsel who are registered with the CM/ECF system.

☐ **FAX:** By transmitting the document by facsimile transmission. The transmission was reported as complete and without error.

I declare under penalty of perjury that the foregoing is true and correct.

Date: July 30, 2024

/s/ Troy Flake

Troy Flake

SEC v. TKO Farms, Inc., et al.
United States District Court—Central District of California
Case No. 8:22-cv-00941-RGK-KES

Service List

BY ECF

Ashley L. Duran
WILSON BRADSHAW LLP
18818 Teller Avenue Suite 115
Irvine, CA 92612
Tel: 949-752-1100
Email: aduran@wbc-law.com

Keith M. Woodwell
Thomas A. Brady
Katherine E. Pepin
CLYDE SNOW AND SESSIONS
201 South Main Street Suite 2200
Salt Lake City, UT 84111
Tel: 801-322-2516 Fax: 801-521-6280
Email: KMW@clydesnow.com
tab@clydesnow.com
kep@clydesnow.com

Counsel to Defendants TKO Farms, Inc., Agravitae Inc., and Kenneth Owen

Brent L. English
Law Offices of Brent L. English
820 West Superior Avenue, 9th Floor
Cleveland, Ohio 44113-1818
216-781-9917
216-781-8113
benglish@englishlaw.com

Counsel to Defendant Ross Erskine and Relief Defendants Personal Group LLC and Signature One Capital Inc.

Jon F. Cieslak
BONA LAW PC
4275 Executive Square Suite 200
La Jolla, CA 92037-1476

1 858-964-4589

Email: jon.cieslak@bonalawpc.com

2 *Counsel to the Estate of Gilbert Allan Penhollow*

3 Corbett H Williams

4 LAW OFFICE OF CORBETT H WILLIAMS

5 24422 Avenida De La Carlota Suite 370

Laguna Hills, CA 92653

6 Tel: 949-679-9909 Fax: 949-535-1031

7 Email: cwilliams@chwilliamslaw.com

Counsel to Reynaldo Aguilar, Jr. and Relief Defendant Storber LLC

8
9 *(Defaulted. Unknown Address)*

James Brian Blaylock

10 Freelif Logistics LLC (c/o James Brian Blaylock as Manager)

11 *Pro se Defendant and Relief Defendant FreeLife Logistics LLC*